

PSC NO: 1 WATER
COMPANY: MULLER WATER SUPPLY
INITIAL EFFECTIVE DATE: 5/01/2006

STATEMENT TYPE: SURC
STATEMENT NO: 1

CAPITAL IMPROVEMENT AND EXTRAORDINARY MAINTENANCE SURCHARGE

STATEMENT NO. 1

Muller Water Supply is authorized to surcharge its customers to recover \$5,170 for extraordinary maintenance work done in 2005 to replace its pumping equipment and for the installation of facilities in 2006 required by the Department of Health, to chlorinate the system estimated to cost \$4,800. The initial surcharge will be \$103.85 per month for a 1 year period. The initial surcharge, which will be shown separately on the customers' bills, will start with the May 1, 2006 billing. If necessary, the initial surcharge will be adjusted to reflect the actual costs of the work related to the chlorination facility.

The company will also be authorized to surcharge its customers for future extraordinary maintenance, the cost of which exceeds the maintenance allowance included in company rates, and capital improvements. This surcharge will not exceed \$100 per month unless otherwise authorized by the Commission. This surcharge will also be shown separately on customer's bills and can run concurrently with the surcharge mentioned in the previous paragraph.

The company is required to file a report annually by January 31, with the Secretary to the Commission, documenting surcharge activity for the prior year. This report should include copies of all bills related to extraordinary maintenance or capital improvements and show the details of the calculation of any surcharges billed its customers.

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(Name of Officer, Title, Address)